



RURAL FINANCE

# EXCEPTIONAL CIRCUMSTANCES INTEREST SUBSIDY APPLICATION SMALL BUSINESS

## CHECKLIST

Where there is insufficient space available throughout the form please attach separate pages which must be signed.

All sections to be completed. If not applicable please mark N/A.

Application form is to be signed by all parties to the application.

**Application Form is to be accompanied by:**

- Copy of cash flow budgets if available.
- Copies of financial statements including Balance Sheet, Profit and Loss Statements and Stock Trading Accounts for the business operation for the 2010 financial year and one other year that demonstrates profitability in the last 5 years, if not already provided for a previous EC application.
- Copies of personal Tax Returns for all parties to this application for both the 2010 financial year and one other year that corresponds with the year chosen above, if not already provided for a previous EC application.
- A separate Lenders' Certificate completed by each financier for each loan on which a subsidy is sought. (Please note the Lenders' Certificate must be dated within 3 months of submitting this application.)
- If a subsidy is sought on private loans from family, vendors or others, a copy of the loan agreement signed by all parties will need to the agreement in addition to the signed Lenders' Certificate is to be supplied.
- If applicable, provide a copy of the Contract of Sale, Solicitors Disbursement Letter and any other information in relation to property/business asset purchases or sales in the past twelve months.

Rural Finance may call for copies of Income Tax Returns and Financials for other years when processing this application.

**LODGING OF APPLICATION**

Please forward your application to:

Rural Finance  
PO Box 1313  
Bendigo Central Vic 3552

EC ASSISTANCE

10/11



RURAL FINANCE

## ELIGIBILITY CRITERIA

The following points provide a summary of the main requirements for assistance.

1. The small business derives at least 70% of its turnover from the provision of goods and services for farming activities that are located within Exceptional Circumstances (EC) areas, OR operates in a town that is substantially reliant on farmer income, has less than 10,000 population and is located in an EC declared area.
2. The small business is in financial difficulty due to the impact of EC on farm enterprises. In considering financial difficulty Rural Finance shall take into account:
  - the total amount of interest payable per annum
  - the estimated business turnover over the medium term
  - the owner or lessee's equity in the business in relation to the amount of current and future indebtedness, together with the business and other assets and income.
3. Without support under these guidelines the small business would not have the capacity to achieve or maintain sustainable long-term viability.
4. The small business has been viable in the past and has the potential to return to viability in the future. In assessing the likelihood of long-term viability of the enterprise the following factors shall be taken into account:
  - i) the expected future capacity of the business to operate profitably (without Government support) as measured by its ability to meet its future financial commitments relating to:
    - operating costs
    - living costs of the operator
    - servicing of the business debts
    - future capital requirements for plant and improvements
    - investment requirements to return business to profitability;
  - ii) the long-term economic trends which impact on the business enterprise;
  - iii) the demonstrated technical, financial and business management performance of the owner;
  - iv) the provision of financial support for the business enterprise by commercial lenders through the EC period and beyond.
5. The owner is primarily reliant on the business for his/her livelihood. In this regard it is expected that the owner has operated the business for at least two years and under normal circumstances contributes at least 75% of his/her labour to the business enterprise and derives at least 50% of income from the business.
6. The applicant is able to demonstrate a need for financial assistance. In this regard, the personal resources of the family are relevant.
7. The owner has disposed of:
  - all non-essential business assets, and
  - non business assets, such that the remaining net value of non business assets is not in excess of \$750,000 (excluding bona fide Superannuation and Life Assurance).

For full program details refer to the relevant Exceptional Circumstances brochure.

STRICTLY CONFIDENTIAL



RURAL FINANCE

Rural Finance Corporation of Victoria
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Email admin@ruralfinance.com.au
Website www.ruralfinance.com.au

EXCEPTIONAL CIRCUMSTANCES
INTEREST SUBSIDY
FOR SMALL BUSINESS

1. APPLICANTS

Full name of trading entity

Do you operate as a: Sole Trader Partnership Company Trust

ACN (if applicable) ABN

Parties to this Application

Table with 3 columns: Surname, Given Name (in full), Relationship (wife, son, brother etc)

2. PRINCIPAL APPLICANT'S CONTACT NAME & ADDRESS

Name

Business Name

Address

Town and Postcode

Postal Address (if different to above)

Town and Postcode

Telephone No. Alternative Telephone No. Fax No.

E-mail Website

1. How many adults and how many children are dependent on the business? Adults Children (excluding employees)

2. What percentage of your time is spent working in the business?

3. Detail the Directors/Partners/Owners/Spouses who receive any income from sources outside the business?

Directors/Partners/Owners Receiving Income Type of Work Period (Weeks) \$ Per Annum

Table with 4 columns: Directors/Partners/Owners Receiving Income, Type of Work, Period (Weeks), \$ Per Annum

### 3. BUSINESS DETAILS

1. Briefly outline details of the goods or services provided by your small business.

2. How many years have you operated this business?

3. How many employees work in the business? (Expressed as full time equivalents)

*Full time means 35 hours/week. Owners or operators are to be excluded.*

4. Name the town in which your business operates

5. Do you normally derive at least 70% of the business turnover from the provision of goods and services for farming activities in an EC area? (You may be requested to produce evidence to support your claim)  Yes  No

If yes, describe how your business is dependent on farmers/farming families

6. What are the main EC declared areas serviced by your business?

7. Does the business operate outside of Victoria?  Yes  No

8. Have you applied for EC assistance in another state?  Yes  No

If yes, which state?

### 4. BUSINESS CONTACTS

Bank

Name

Address

Town/Postcode

Tel No.

Fax No.

Contact Name

Accountant

Name

Address

Town/Postcode

Tel No.

Fax No.

Contact Name

### 5. MEASURES TO OVERCOME EFFECTS OF THE EXCEPTIONAL CIRCUMSTANCE AND RESTORE PROFITABILITY

1. What ADDITIONAL borrowings have been necessary as a consequence of the drought?

|                     | Loan 1 | Loan 2 | Loan 3 |
|---------------------|--------|--------|--------|
| Amount \$           |        |        |        |
| Lending Institution |        |        |        |
| Date Drawn          |        |        |        |
| Purpose             |        |        |        |

2. What ADDITIONAL measures have been undertaken because of the drought? (e.g. sold plant etc)

**6. ASSETS AND LIABILITIES AS AT DATE OF APPLICATION**

**FULL DETAILS OF ASSETS AND LIABILITIES OF ALL PARTIES INCLUDING SPOUSE/PARTNER**

| ASSETS<br><small>(Please use realistic current market value for all assets)</small> | \$ | LIABILITIES                               |      |                |                 |                  | \$ |
|---|----|---|------|----------------|-----------------|------------------|----|
| Commercial Freehold Property  |    | Amounts Owing                             |      |                |                 |                  |    |
|   |    | Lender                                    |      | Interest Rate  |                 | Loan Expiry Date |    |
| Plant & Equipment   |    |   |      |                |                 |                  |    |
| Debtors   |    | Overdraft                                 |      |                |                 |                  |    |
| Stock on Hand   |    | Bank                                      |      | Interest Rate  |                 | Limit            |    |
| Cash on Hand or at Bank   |    |   |      |                |                 |                  |    |
| Interest in Any Estate (Detail)   |    |   |      |                |                 |                  |    |
|   |    | Leases/Hire Purchase ( <i>Equipment</i> ) |      |                |                 |                  |    |
|   |    | Lender                                    | Item | Annual Payment | Residual Amount | Date Due         |    |
| Other Business Assets   |    |   |      |                |                 |                  |    |
|   |    |   |      |                |                 |                  |    |
|   |    |   |      |                |                 |                  |    |
| <b>Non Business Assets</b>  |    | <b>Non Business Liabilities</b>           |      |                |                 |                  |    |
| Shares or Bonds   |    | Amount owing on Residential Property      |      |                |                 |                  |    |
| Superannuation  |    | Amount owing on Investment Property       |      |                |                 |                  |    |
| Life Assurance S/V  |    | Other ( <i>Rates, Tax, etc.</i> )         |      |                |                 |                  |    |
| Residential Property  |    |   |      |                |                 |                  |    |
| Investment Property   |    |   |      |                |                 |                  |    |
| Other   |    |   |      |                |                 |                  |    |
| <b>TOTAL</b>  |    | <b>TOTAL</b>                              |      |                |                 |                  |    |

**7. CASH INCOME AND EXPENDITURE (BOTH COLUMNS MUST BE COMPLETED IN FULL)**

| Income   | Financial Year ending 30 June 2011<br>(Actual to date plus budget estimate) | Normal/Sustainable Year<br>(Assumes average trading results) |
|--|---|--|
| Business Income  |   |  |
| Farm income <i>(if applicable e.g livestock, grain etc)</i>                    |   |  |
| Other <i>(rebates, interest, agistment etc.)</i>                               |   |  |
|  |   |  |
|  |   |  |
| <b>Total Income from Business Operations (A)</b>                               |   |  |
| <b>Expenditure (Excluding Depreciation and Payments to Associated Persons)</b> |   |  |
| Business Operating Expenses:   |   |  |
| Farm Operating Expenses: <i>(if applicable)</i>                                |   |  |
|  |   |  |
| Interest: <i>(specify for each loan)</i>                                       |   |  |
|  |   |  |
|  |   |  |
| Principal Payments to: <i>(specify for each loan)</i>                          |   |  |
|  |   |  |
|  |   |  |
| Hire Purchase/Lease Payments: <i>(specify for each contract)</i>               |   |  |
|  |   |  |
|  |   |  |
|  |   |  |
| Non Loan Funded Capital Expenditure (machinery etc):                           |   |  |
|  |   |  |
|  |   |  |
| <b>Total Expenditure (B)</b>   |   |  |
| <b>Other Expenditure</b>   |   |  |
| Living Expenses  |   |  |
| Education  |   |  |
| Superannuation   |   |  |
| Income Tax   |   |  |
| <b>Total Other Expenditure (C)</b>   |   |  |
| <b>Net Income from Business Operations (A - B - C)</b>                         |   |  |
| <b>Other Net Income</b>  |   |  |
| Income/Wages from other sources (From Section 2)                               |   |  |
| Net Rental Income (Investment Properties)                                      |   |  |
| Centrelink   |   |  |
| Investment income  |   |  |
| Other Income (specify)   |   |  |
| <b>Total Other Income (D)</b>  |   |  |
| <b>Total Net Income (A - B - C + D)</b>  |   |  |

## 8. CONSENT AND DECLARATION AND DIRECT CREDIT SERVICE

For the purpose of this application:

I/We agree that Rural Finance Corporation of Victoria ("Rural Finance") may, for the purposes specified in Rural Finance's Privacy Statement:-

- use, any personal or commercial information about me/us, including information about or relating to:-
  - my/our assets, liabilities, income and /or expenditure;
  - any loan or assistance which Rural Finance currently provides or has provided to me/us and associated security; and
  - my/our eligibility for any product, service or assistance including credit checks, reports and assessments to establish my/our creditworthiness.
- obtain from and/ or disclose to:-
  - any credit providers, creditors, debtors or other person's named in data supplied to or otherwise obtained by Rural Finance in connection with the application;
  - any person who guarantees or is considering whether to guarantee my/our obligations to Rural Finance or who is a party to the application;
  - credit reporting agencies which conduct credit checks, searches and assessments;
  - entities which are responsible for issuing licences, permits or other rights or benefits which may affect the operation or financial viability of my/our enterprise or business;
  - any government agency providing me/us with income or other forms of support including Centrelink;

I/We authorise Centrelink to electronically provide a statement of information to assist in the assessment of this application. I/We understand that the information provided may include historical details of payments received, dependants, Centrelink deductions, income, assets and confirmation of my/our current address. I/We understand that this authority is effective for the purpose of this application and the period of support. More details relating to the electronic provision of information can be obtained from Centrelink's website at [www.centrelink.gov.au](http://www.centrelink.gov.au).

I/We appoint the named contact person as my/our agent for all purposes associated with the application. Rural Finance will be entitled to rely upon this authority in its dealings with the contact person and in processing the application.

I/We hereby authorise my/our solicitor, accountant, stock agent or other person acting on my/our behalf and other persons described in this Consent and Acknowledgement to supply Rural Finance with any further information it may require.

I/We acknowledge that:

- I/we have read and understood Rural Finance's Privacy Statement;
- I/we can gain access to personal information (as defined in the Information Privacy Act 2000 (Vic)) which Rural Finance holds about me/us except in certain circumstances specified by legislation;
- failure to provide some or all of the information which Rural Finance collects about me/us may result in the application not being processed or approved.

I/We certify that the information provided by me/us in connection with the application is true, correct, accurate, up to date and complete and acknowledge that Rural Finance relies on the information when assessing the application.

The Rural Finance Direct Credit service enables you to receive payments even faster through Electronic Funds Transfer (EFT). By using the Direct Credit facility, payments will be deposited directly to your nominated bank, building society or credit union account (credit card accounts excluded). You will avoid waiting for payments to be forwarded by mail and the delays in clearing cheques before your funds are available.

I/We request and authorise direct credit of any payment to the financial institution specified below.

### DETAILS OF FINANCIAL INSTITUTION AND ACCOUNT TO BE CREDITED

Name of Financial Institution at which your account is held

Address of Financial Institution at which your account is held

Postcode

Account Name  
(insert name in full as it appears on your statement)

BSB Number\*

Account Number\*

Account Type

Cheque

Savings

Building Society

Credit Union

\* We recommend you contact your Bank, Building Society or Credit Union to check your BSB or account number.

*Note: Direct Credit can only be arranged for Australian Banks, Building Societies or Credit Unions.*

### ALL PARTIES PLEASE SIGN BELOW

| Individual's Details | Signature | Date |
|----------------------|-----------|------|
|                      |           |      |
|                      |           |      |
|                      |           |      |
|                      |           |      |
|                      |           |      |
| Company Details      | Signature | Date |
|                      |           |      |
|                      |           |      |

### INSTRUCTIONS FOR SIGNING

All applicants must sign - and if applicable:

**Companies** - The following persons must sign on behalf of the company in accordance with section 127(1) of the Corporations Act 2001:

- Two Directors (two signatories); or
- A Director and a Company Secretary (two signatories); or
- Sole Director & Sole Secretary (one signatory):

**Power of Attorney** - Power of Attorney must have been exhibited to Rural Finance or a certified copy must accompany this form.

